

**STATE OF INDIANA**  
**DEPARTMENT OF LOCAL GOVERNMENT FINANCE**  
**Indiana Government Center North**  
**Room N1058(B)**  
**Indianapolis, IN 46204**

IN THE MATTER OF THE REQUEST OF COMMUNITY )  
SCHOOL CORPORATION OF SOUTHERN HANCOCK )  
COUNTY (HANCOCK COUNTY) FOR APPROVAL )  
OF A LEASE WITH NEW PALESTINE ELEMENTARY ) NO. 07-036  
SCHOOL BUILDING CORPORATION )

A petition was filed on behalf of Community School Corporation of Southern Hancock County ("School Corporation"), for approval of a lease with New Palestine Elementary School Building Corporation providing for the lease of improvements to New Palestine, Sugar Creek and Brandywine Elementary Schools, expansion of the central office, and safety improvements at New Palestine High School in the School Corporation for a term of not more than seventeen (17) years at a maximum annual lease rental payment of \$498,000. The first semi-annual rental installment shall commence on January 5, 2010. The lease includes an option to purchase the Project.

The Department of Local Government Finance ("Department"), pursuant to Executive Order 05-19, has reviewed the proposed lease and the Project, and has applied the guidance set forth in the Guidance for Review of School Building Project Financing and the factors set forth in IC 20-46-7-10. The school has complied with the appropriate provisions of IC 6-1.1-20 and IC 20-46-7. After careful consideration of all facts, the Department takes the following action:

**APPROVE:**

Execution of a lease with the New Palestine Elementary School Building Corporation for the lease of improvements to New Palestine, Sugar Creek and Brandywine Elementary Schools, expansion of the central office, and safety improvements at New Palestine High School in the School Corporation, for a term of not more than seventeen (17) years at a maximum annual lease rental of \$498,000. The first semi-annual rental installment shall commence on January 5, 2010. This approval is limited to the projects described in File #07-036 as presented to the School Property Tax Control Board and the Commissioner for consideration.

If the construction bids received for the Project are lower than the estimated construction costs presented to the Department, the school corporation and building corporation shall amend the lease to lower the lease rental payments to amounts which will amortize the debt. The debt will be limited to the total of the construction bids, costs of issuance, soft construction costs, and construction contingencies. In total, the costs of issuance, soft construction costs, and

construction contingencies shall not exceed the amounts presented to the Department for consideration.

To obtain a debt service rate for 2007 pay 2008, the unit must comply with the provisions of IC 6-1.1-17-3. In addition, on or before December 31, 2007, the unit must execute the above issue and file with the Department a final amortization schedule.

Dated this 2<sup>nd</sup> day of November, 2007.

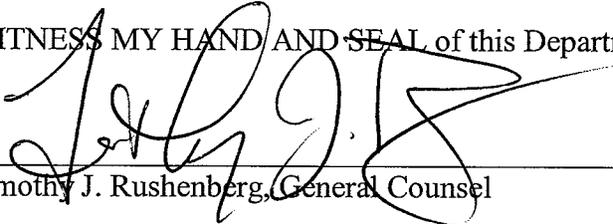
DEPARTMENT OF LOCAL GOVERNMENT FINANCE

  
Cheryl A.W. Musgrave, Commissioner

STATE OF INDIANA  
DEPARTMENT OF LOCAL GOVERNMENT FINANCE

I, Timothy J. Rushenberg, General Counsel of the Department of Local Government Finance, do hereby certify that the above is a full, true and complete copy of the Order of this Department made this date in the above-entitled matter.

WITNESS MY HAND AND SEAL of this Department on this 2<sup>nd</sup> day of November, 2007.

  
Timothy J. Rushenberg, General Counsel

Ind. Code 5-1-18, requires local units of government to provide debt information to the DLGF not later than December 31 of the year in which the bonds are issued or the lease is executed. In addition, local units of government are also required to annually (before March 1) provide the DLGF with information regarding their outstanding debt obligations. The documents that must be completed can be found on the DLGF website: [http://www.in.gov/dlgf/rates/debt\\_reporting.html](http://www.in.gov/dlgf/rates/debt_reporting.html). Please submit completed documents electronically to [data@dlgf.in.gov](mailto:data@dlgf.in.gov). Questions regarding these documents may be directed to Cheryl Prochaska at (317) 244-4480.